

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
January 27, 2014
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Jose R. Rodriguez, CPA, President; Bucky Glover, CPA, Vice President (via telephone); Maria M. Lynch, Esq., Secretary-Treasurer; Tawannah G. Allen, Ed.D.; Barton W. Baldwin, CPA; Wm. Hunter Cook, CPA; and Michael H. Womble, CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; David R. Nance, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: Josh Goldman, Director of Professional Development, NCACPA; Cal Christian, CPA, NCACPA; Suzanne Jolicoeur, Senior Manager, State Regulation & Legislation, AICPA; and Curt Lee, Legislative Liaison, NCSA.

CALL TO ORDER: President Rodriguez called the meeting to order at 10:05 a.m.

MINUTES: The minutes of the December 16, 2013, meeting were approved as submitted. Mr. Womble abstained from the vote as he was not present at the December 16, 2013, meeting.

FINANCIAL AND BUDGETARY ITEMS: The December 2013 financial statements were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: Mr. Brooks provided an update on the study of occupational licensing boards by the General Assembly as a result of House Bill 74.

Mr. Glover asked that the Board consider 21 NCAC 08N .0305, *Retention of Client Records*, for rule-making as it relates to the format in which client records are returned to the client by a CPA. Mr. Cook asked that the Board consider 21 NCAC 08N .0307, *CPA Firm Name*, as it relates to what language a CPA firm may use in its name.

NATIONAL ORGANIZATION ITEMS: Mr. Cook and Dr. Allen moved to approve the draft response as amended to the Exposure Draft, *Uniform Accountancy Act – Firm Mobility Guidance*, prepared by NASBA and the AICPA. Motion passed.

STATE AND LOCAL ORGANIZATION ITEMS: Mr. Brooks reported that he and Mr. Nance attended the NCACPA board meeting held at the AICPA offices in Durham, NC, on January 23-24, 2014. He also reported that he and Mr. Nance attended the January 23, 2014, NCACPA reception that showcased the extensive renovation to the NCACPA offices.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Baldwin moved and the Board approved the following recommendations of the Committee:

Case Nos. C2012292-1 and C2012292-2 - Andy Hudson, CPA, PLLC - Approve the signed Consent Order (Appendix I). Mr. Baldwin did not participate in the discussion of this matter nor did he vote on this matter.

Case Nos. C2013117 and C2013231 - Cecil J. Cavanaugh and Cecil J. Cavanaugh, MBA, CPA, A Professional Accounting Corporation - Approve the signed Consent Order (Appendix II).

Case No. C2013177-2 - Robert E. Starkey, CPA, PLLC - Approve the signed Consent Order (Appendix III).

Case No. C2013149 - Aichun Li - Approve the signed Consent Order (Appendix IV).

Case Nos. C2013228 and C2013229 - Donald K. Murphy and the Wesley Peachtree Group, CPAs, dba Murphy and Company, PC - Approve the signed Consent Order (Appendix V).

Case Nos. C201265-1a and C201265-1b - Eugene E. Nicholas, Jr. - Approve the signed Consent Order (Appendix VI).

Case No. C2013139 - Daniel R. Chappell - Approve a Notice of Hearing for April 22, 2014, at 10:00 am.

Case No. C2013143 - Joseph Parker Auer - Approve a Notice of Hearing for April 22, 2014, at 10:00 am.

Case No. C2013144 - Jane Kathleen Sykes - Approve a Notice of Hearing for April 22, 2014, at 10:00 am.

Case No. C2013200 - Seungwon "Andy" Hong - Approve a Notice of Hearing for April 22, 2014, at 10:00 am.

Case Nos. C2012207-1 and C2012207-2 - Close the cases without prejudice.

Case No. C2013262 – Gary R. Sessions – Accept the signed Notice of Apparent Violation and Demand to Cease and Desist (Appendix VII).

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Ms. Lynch moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Megan Stein Adams
Lori Carol Hamilton
Anthony John Reggiannini

Nathan William Villaume
Benjamin James Wade

Original Certificate Applications - The following were approved:

Megan Stein Adams
Emmeline Douglas Aghapour
Joseph Edward Allen
Catherine Rachel Ambler
Douglas E. Arvin
Sheila Naa Akuama Ashley
Brandon Todd Ausley
Pierce Larry Autry
Tommi Ann Barbour
Christopher Brian Bass
John Kevin Beasley, Jr.
Taryn Roten Boston
Coulter Holloway Brinkley
Laurel Shackelford Brown
Madison Blair Burke
Natalia Barrera Caggiano
Jonathan Andrew Campbell
Alisia Kristina Cedarholm
Kevin Chiahao Chang
Amy Michelle Clodfelter
Lucinda Jo Ore Collins
David Clinton Corn
Trisha Robin Sarki Crawford
Megan Michelle Creed
Daniel Jay DelaCruz
Kelsey Brianne Duncan
Ashley Marie Encarnacao
James Charles Engel

Amelia Bryant Gayle
Alexa Marie Gilbert
Bonnie Gillespie
Puja Veronica Gomes
Walter Lafayette Gray
James Thomas Hackl
Brandon Shawn Hall
Christopher David Hall
Lori Carol Hamilton
Robert Everett Hamilton
Ashley Griffin Hamm
Terry Bernard Harris, Jr.
William Byrd Harrison
Tamara Rene Henderson
James Dunn Holland
William Zachary Holland
Ruoqi Hu
David James Hunt
Olufisaho Victor Ijamakinwa
Kia Barriteau Ikpe
Danny Ryan Jackson
Preston Leland Kafka
Lidiya V. Kazantsey
Catherine Michelle Kelly
Ellen Elizabeth King
Kurt Louis Kuchenbrod
Dhara Manmohan Lakhani
Bao-Tran Thi Le

Joseph Ryan Lentz
Jennifer Mary Lischer
John Alexander Loewer
Matthew Locke Long
Nicole Anjelica Longa
Kari Lyn Luna
Christopher Stephan Maciej
Corey Edward Mallard
Wanda Cordelia Manning
Timothy James Manton
Ryan Lee Martin
James Alexander McDermott
Robert Elmer Meador
Melissa Elizabeth Miller
Peter Robert Miller
Eric John Modrak
Kevin David Moody
Neal Wesley Morgan
Jaymeson Willett-Day Morris
Alyssa Marie Morrow
Robert Donald Muirhead
Nathaniel Reece Musgrove
Jordan Blaine Myers
Jianming Ni
Thomas Christopher O'Connor, Jr.
Ankit Manojkumar Patel
Puja Dev Patel
Matthew C. Pierce
Ralph Daniel Polk
Tonya Lynn Schronce Pope
Gregory Thomas Portal
Katelan Suzanne Price
Benjamin Greer Pulliam
Jessica Elizabeth Radford

Anthony John Reggiannini
Danielle Marie Richards
April Jean Richmond
Emily McLaurin Rogers
Amanda Grace Rose
Samuel Aaron Saunders
Andrew Thomas Schwartz
Gabrielle Oriana Shahid
Catherine Smith Shomo
Chelsea Marie Simon
Amanda L. Skonezney
Emily Elizabeth Small
Daniel Alexander Smeaton
Kira Kanika Staggers
Joel Brent Stocks
Elizabeth Claire Stollbrink
Andrea Jean Storck
Patrick James Stultz
Kristen Nicole Thompson
Hien Hong Tran
Marshall Wayne Trull
Caitlin Marie Upperman
Samuel Miles Upton
Nathan William Villaume
Benjamin James Wade
Charles Michael Walker
Rachel Isaacson Werner
Shannon Holly Williams
Lloyd Alexander Wishon
Joseph Thomas Wood
Jacob Anthony Woodfin
Lindsay Marie Zech
Zhiqiang Zhang
Xiaojie Zheng

Reciprocal Certificate Applications - The following were approved:

Rebekah Adair Abben
Jacqueline Marie Bardet
Sandra Leigh Belfor
John Dante Bertolozzi, Jr.
Sarah Marie Bonfiglio
Lori Lynn Bothwell

Kelly Borden Bowman
Shannon Leigh Brett
Brittney Lynn Brock
Jason Thomas Brodmerkel
Matthew Wayne Conner
Lisa Carmina Conrad

Theresa Lynn Conyers
Brett Marcus Corder
Michael Larry Curtis
Brian Lawrence D'Amico
Robert Michael Davidson
John William Dear
Helen Blair Diamond
David Alexander Donald
Robert Matthew Doran
Wayne Michael Eager
Christopher Scott Gearing
Neal Alan Golub
Ryan Clayton Hamelin
Marlies Yvette Hendricks
Megan Virginia Keller
Ronnie Elizabeth Kelley
Frank Stephen Ketterly
Mary Beth Leeds
Sophie Youssef Malati
Charles Cameron McGoogan
Arnold Grayson Nance
Leah Marie Oleski

Martin William O'Neill
Carly Jane Osteen
Amy E. Pinto
James Gerard Radler
Jeremiah Daniel Robison
Nathaniel William Shishko
Jessica Kate Simmons
Andrew John Smith
Joseph Edmond Smith
Kristen Michelle Smith
Matthew David Snyder
Daniel Leo Stilphen
Garret Kovach Tripp
Jennelle Denise Vickers
Lee Anthony Wagner
Marcia McCusker Waldron
Elizabeth Andrea Wellman
Victoria Thatcher Wilkinson
Joan Barry Workman
Ta-Tanisha Braggs Worrell
Donna Marie Yost

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Robert Michael Davidson T7685
Joseph Edmond Smith T7686
Carly Jane Osteen T7687
John Dante Bertolozzi, Jr. T7688
Marcia McCusker Waldron T7689
Brittney Lynn Brock T7690
Theresa Lynn Conyers T7691
Jeremiah Daniel Robison T7692
Ronnie Elizabeth Kelley T7693
Sandra Leigh Belfor T7694
Matthew David Snyder T7696
Marlies Yvette Hendricks T7697
Shaista Shireen T7698
Leonard S. Refford T7699
Edward David Bedard T7700
Anthony Michael Sclafani T7701
Nathaniel William Shishko T7702

Megan Elizabeth Grim T7703
David Alexander Donald T7704
Lee Anthony Wagner T7705
Jason Thomas Brodmerkel T7706
Donna Marie Yost T7707
Stephen Mark Komer T7708
Jennelle Denise Vickers T7709
Samuel Joel Chimera T7710
Laura Ashley Thomas T7711
Jessica Bullard Lee T7712
Christina Nicole Fuller T7713
Neal Alan Golub T7714
Christian Rose Taylor T7715
Shannon Leigh Brett T7716
James Gerard Radler T7717
Brett Marcus Corder T7718
Michael Larry Curtis T7719

Mary Beth Leeds T7720
Rebecca Ellen Davenport T7721
Amy E. Pinto T7723
Brian Lawrence D'Amico T7724
Victoria Thatcher Wilkinson T7725
Charles Cameron McGoogan T7726
Henry Lanace Singletary, Jr. T7727
Devin Glenn Crowe T7728
Glenny Guzman T7729

Eric Matthew Carr T7730
Cynthia Ann Miley T7731
Wayne Michael Eager T7732
Megan Virginia Keller T7733
Lisa Carmina Conrad T7734
Thomas Gerald Newberg T7735
Andrew Jay Russ Pasetsky T7736
Robert Bernhardt Gottschalk, III T7737
Tatsiana Hliatsevich T7738

Reinstatements - The following were approved:

Tammie Bland Cartledge #26097
Elizabeth Anne Hester #16105
Suzanne Mary Martin #25527

Anne Jennings Sanders #23467
Leah A. Singleton #31396

Reissuance of New Certificate - Applications for reissuance of new certificate submitted by the following were approved.

Donald Hugh Combs #14848

Jackson Reeves Gossett, Jr. #17797

Firm Registrations - The following professional corporations and professional limited liability companies were approved by the Executive Director and ratified by the Board:

Allen, Inc.
Chris Brady, CPA, PLLC
Karen Byrd cpa pc
Knott & McNutt, CPAs, PLLC
Melissa M Taylor, CPA, PA

Muhammad Akram, CPA, PLLC
Peter Bell, PLLC
THALE, PLLC
Turner & Tyson PLLC
Williford Houston & Co., CPAs, PLLC

Extension Requests - The Committee approved the following individuals for extension for completion of CPE until the dates noted:

Kera Johnson Hinton, #21481 - 06/30/2014
Frederick H. Hutchins, #11640 - 06/30/2014
Albert Pera, #10929 - 06/30/2014

The Committee disapproved the extension request submitted by Peter J. Coode (#23786).

Examinations - The Committee reviewed and approved the following staff-approved applicants to sit for the Uniform CPA Examination:

Michelle Abercrombie

Heather Adams

Nathaniel Adams
Judith Aiello
Jeremiah Akinsola
Mikhail Alexoudis
James Allred
Kristen Alston
Ahmad Altaher
Winda Auguste
James Badgett
LeAnn Bagasala
Catherine Baker
Kathryn Bakstad
Haley Barnes
Tasha Barnes
Valerie Barney
Keith Beam
Brandon Becker
Ryan Beckstead
Darryl Bennett
Tawana Berrier
Cory Billings
Andrew Blackburn
Catrina Blazer
Nicholas Boardman
Michelle Boch
Robert Bonner
Marques Boyce
Russell Bramlett
Madeline Bray
Melissa Brown
Sarah Brown
Joseph Buckland
Latesha Byrd
Michael Carnicelli
Daniel Carter
Kelley Carter
Eric Chamblee
Ray Chen
Ann Cleek
Jennifer Cline
Matthew Collier
Kevin Collins
Sarah Collins

Oneisha Conley
Nicolas Conner
Charlene Cook Controne
Ryan Cornell
Christopher Cox
Elizabeth Coy
Victoria Craft
William Cranford
Chad Crayton
Sherry Cribb
Evan Crim
Chase Crone
Sheree Cuthbertson
Sarah Danford
Laura Davenport
Monica Davis
Morgan Davis
Caroline DeRhodes
Anh Dien
Steven Dinkins
Elizabeth Dinndorf
Richard Duff
Daniel Dumas
Hanna Dunn
Kelsey Dunn
Michael Dunn
Micah Eberle
Emily Edwards
Lynn Edwards
Veronica Edwards
Susan Eisenhardt
Sarah Eljabaly
Patrick Ellison
Laura English
Daniel Epler
Deborah Epperson
Luis Espinosa
Lauren Evans
Hannah Fabry
Hisham Fahim
Matilda Fahnbulleh
Kendra Ferguson
Mary Fischer

Natalie Flannery
Jennifer Ford
Lauren Frank
Justin Freed
Rachel Gable
John Garrett
Richard Garrett
Karen Gilsdorf
Staci Ginsburg
William Glidewell
James Goodman
Nicholas Graham
Anthony Greco
Shaun Greene
Kameron Gress
Benjamin Gupton
Steven Hagemann
Charles Hall
Natasha Hall
Lincoln Hampshire
Felicia Harris
Phillip Hathcock
John Haus
Corey Hawley
Karen Haynes
Sarah Hazelton
Amber Heintz
Alyssa Helms
Shannon Henry
Emily Henson
Heather Hess
Blake Hetrick
Jeremy Hiatt
Teresa Hinson
Lindsay Hoffman
Aubrey Hollen
Kateryna Hollis
Sarah Hopkins
Gregory Howard
William Howard
Brittani Howe
Julia Howe
Li Huang

Noah Huffstetler
Hilary Hughes
Nicole Hughes
Joshua Hulin
Allison Hunt
Lucinda Hunt
Rachael Huntley
Malorie Irwin
Loren Jackson
Mia Jackson
Robert Jackson
Lisa Johansen
Allison Johnson
Stephen Johnson
Steven Johnson
Audrey Jones
Joshua Jones
Gregory Journigan
Steven Kanczewski
William Kane
Jaskamal Kaur
Maggie Kendzior
Zeeshan Khan
Supriya Khazanie
Vasyl Khokhla
Adam King
Nicole King
Ruth Kinyua
Mary Kirkland
Shareen Knapik
Justin Knight
Colleen Koss
Andrew Krafft
Kayla Kreigsman
Danielle Kubinski
Timothy Laframboise
Robert Lanning
Timothy Lavender
Molly Le
Matthew Lee
Rebecca Leighty
Brooke Leja
Naomi Lemmond

Benjamin Linderman
Gerald Littley
Alison Long
Amber Lopez
Michael Luistro
William MacMinn
Seona Mafe
Colleen Maier
David Mall
Christi Manivanh
Jennifer Maready
Dennis Martin
Larry Martin
Samuel Mason
Timothy Mausolf
Dananjaya Mayadunne
Courtney Mayes
Sarah Mazur
Tabitha Mbaka
Marcus McAllister
Inge McCrory
Ashley McKimmie
Chad McManus
Jacqueline Messier
Matthew Milbourn
Patrick Milburn
Andrew Miles
Marla Miller
Matthew Miller
Michael Mills
Praxi Mittal
Rubin Moise
Preston Moore
Bradley Moree
Saxby Morehead
Alan Morrison
Alexandra Morrison
Tara Moser
Janet Murphy
Jutoria Myers
Jarrett Nagel
Megan Naylor
Heather Nelson

Rene'e Neyman
Gwendoline O'Brien
Maxwell Ofori
Tomasz Olejarz
Jason Oliver
Anna Olson
Andrea Pack
David Padykula
Anthony Pappalardo
Jooyoung Park
Carla Parker
Genoba Parker
John Parker
Brandon Parks
Tara Parks
Matthew Parsells
Richardson Pate
Meera Patel
Urvish Patel
Emily Payne
Sara Pearson
Simona Peppers
Melinda Perry
Miesha Perry
Laura Peters
Galina Petrova
Margret Phelps
Brian Phillips
John Pike
Ljubica Pilipovic
Raymond Pinkston
Taylor Pittman
Ryan Poser
Beverly Pressley
Eddis Price
Robert Prim
Lindsay Quinn
Heather Rafalko
Laura Rainey
Karen Rasmussen
Taylor Rebele
Sabina Redzovic
Natalie Reed

Nghi Reilly
Jamie Reynolds
Lindsey Reynolds
Leata Riggs
Amber Roberts
Crystal Roberts
Mary Roberts
Christina Robin
Curtis Robinson
Fred Robinson
Jonathan Robinson
Cynthia Roeder
Ryan Rogers
Burnis Rollinson
Rebecca Rothrock
Whitney Routh
Robert Rowe
Morgan Rowland
Isaac Rowles
Jessica Rubinski
Holden Rudd
Sarah Rupp
Justin Russell
Paula Russell
James Salmon
Kyle Salmon
Jeremiah Satterfield
Adam Scarboro
Kathryn Schafer
Brian Schutz
Payal Shah
Kseniya Shakotko
Corbin Shive
Adetoikunbo Shuler
Joseph Simmons
Jyoti Singh
Lanita Slaughter
Aaron Smith
Courtney Smith
Deborah Smith
Thomas Snyder
Emilee Somers
Christopher Sparks

Timothy Spence
Stacey Stafford
David Stagg
Tyler Stallings
Priscilla Staten
Jodi Stewart
Ryan Stewart
Constance Stitt
Courtney Stoker
Michael Stoltz
Jeremy Stone
Diana Stoyneva
Haley Streich
Steven Strickland
Marchella Stroud
Laurie Strumski
Edward Summersill
Premalata Sundaram
Alysse Swink
Jacob Taitague
Ray Tang
Julia Taranenko
Jeremiah Tate
William Tate
Rebekah Taylor
Apryl Tessener
Natalie Tetterton
Lee Thaxton
Dianna Thomason
Christopher Thompson
Sabrina Thompson
Kate Thurston
Thomas Timoney
Tamara Todi
Alan Toler
William Tucker
Kaitlyn Tunstall
Nicki Vaughn
Landon Vick
Kristy Voss
Goran Vukicevic
Christopher Walker
Erin Wallen

Erica Walters
Zao Wang
Travis Weaver
Alex White
Tara White
Erin Whitford
LaToya Wiley
Kristen Wilkinson
Aviance Williams
David Williams

Wazym Williams
Henry Withers
Tyler Woitkowski
Paul Wolitarsky
Brad Woodard
Nona Workman
Bradley Yacenda
Jeffrey Yahn
Joseph Young
Melissa Young

Letter of Warning - Staff has received a CPE report from Linda J. Carroll (#30468) which lists 2012 CPE taken between January 1 and June 30, 2013, without an approved extension. Staff recommended a letter of warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee approved staff recommendation.


Miscellaneous - The Committee reviewed and approved proposed language for the moral character sections on the initial and re-exam applications.

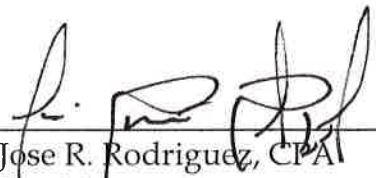
President Rodriguez asked the Committee to review the AICPA CPE Direct program at its next meeting to determine if the program should be allowed for CPE credit in North Carolina.

ADJOURNMENT: Messrs. Womble and Cook moved to adjourn the meeting at 10:42 am. Motion passed.

Respectfully submitted:

Attested to by:


Robert N. Brooks
Executive Director


Jose R. Rodriguez, CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2012292-1

IN THE MATTER OF:
Andy Hudson CPA PLLC
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Respondent Andy Hudson CPA PLLC (hereinafter "Respondent firm") is a registered certified public accounting professional limited liability company in North Carolina.
2. Respondent firm received a "fail" on its most recent system peer review, with an acceptance letter date of September 24, 2012.
3. The failed system peer review noted a material departure from Generally Accepted Auditing Standards ("GAAS") by Respondent firm.
4. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.



2. Respondent firm's failure to comply with GAAS is a violation of 21 NCAC 08N .0403 and .0212.
3. By virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent firm agree to the following Order:

1. Respondent firm is censured.
2. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any engagements subject to peer review.
3. Prior to Respondent firm participating in, performing, or reviewing any engagements subject to peer review, Respondent firm shall be required to complete the following:
 - a. Prior to entering into any engagements subject to peer review, Respondent firm shall provide notification to the Board of Respondent firm's intention to enter into engagements subject to peer review;
 - b. Each of Respondent firm's professional staff participating in engagements subject to peer review shall take a minimum of eight (8) hours of group study SSARS CPE coursework as part of their annual CPE requirements until such time as Respondent firm receives a pass on a system peer review, or a pass or pass with deficiencies on an engagement peer review;
 - c. Each of Respondent firm's professional staff participating in any audit engagements shall take a minimum of eight (8) hours of group study Audit Update CPE coursework as part of their annual CPE requirements until such time as Respondent firm receives a pass on a system peer review; and
 - d. Pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all peer review engagements until determination is made by the Board that said engagements can be performed by Respondent firm in accordance with applicable standards.



CONSENTED TO THIS THE 22 DAY OF June, 2013.

Andy Hudson
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY,
2013.
2014

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2013117 and C2013231

IN THE MATTER OF:

Cecil J. Cavanaugh,
Louisiana CPA Certificate #000945
and
Cecil J. Cavanaugh, MBA, CPA,
A Professional Accounting Corporation,
Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondents stipulate to the following:

1. Cecil J. Cavanaugh (hereinafter "Respondent Cavanaugh") is the holder of a valid and unrevoked certificate as a certified public accountant issued by the State of Louisiana. Respondent Cavanaugh has a principal place of business outside of the State of North Carolina, but has, as set forth below, exercised a practice privilege to perform services for at least one client in this State. As such, Respondent Cavanaugh is subject to the laws, rules, jurisdiction, and disciplinary authority of this Board, per N.C. Gen. Stat. § 93-10(b).
2. Cecil J. Cavanaugh, MBA, CPA, A Professional Accounting Corporation (hereinafter "Respondent Firm"), is not a registered certified public accounting professional corporation in North Carolina. Respondent Firm's principal place of business is outside of the State of North Carolina and has a firm permit issued by the Board of Accountancy in the State where Respondent Firm is located. At all times relevant to this matter, Respondent Cavanaugh was the owner and operator of Respondent Firm.

NC BOARD OF

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CPA EXAMINERS

Consent Order - 2

Cecil J. Cavanaugh

Cecil J. Cavanaugh, MBA, CPA, A Professional Accounting Corporation

3. Respondent Cavanaugh, on behalf of Respondent Firm, issued audits to a North Carolina-based company, for the fiscal years 2010, 2011, and 2012.
4. Neither Respondent Firm nor Respondent Cavanaugh, on behalf of Respondent Firm, provided the Board with the Notification of Intent to Practice as required by N.C. Gen. Stat. § 93-10(c) of the Accountancy Act.
5. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondents' failures to comply with N.C. Gen. Stat. § 93-10(c) of the Accountancy Act as set out above, if proven, could constitute violations of 21 NCAC 08N .0213.
3. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also by virtue of Respondents' consent to this order, Respondents are subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondents agree to the following Order:

1. Respondents are censured.

NC BOARD OF

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CPA EXAMINERS

Consent Order - 3

Cecil J. Cavanaugh

Cecil J. Cavanaugh, MBA, CPA, A Professional Accounting Corporation

2. Respondents shall remit, with this signed Order, a six thousand dollar (\$6,000.00) civil penalty.

CONSENTED TO THIS THE 7th DAY OF December, 2013
(Day) (Month) (Year)

Cecil J. Cavanaugh
Respondent Cavanaugh

Cecil J. Cavanaugh
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY,
2014
(Year) (Day) (Month)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

NC BOARD OF

DEC 12 2013

CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2013177-2

IN THE MATTER OF:
Robert E. Starkey, CPA, PLLC
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and the Respondent firm stipulate to the following:

1. Robert E. Starkey, CPA, PLLC (hereinafter "Respondent firm"), is a registered certified public accounting corporation in North Carolina.
2. Respondent firm received a "fail" on its most recent engagement peer review, with an acceptance letter date of June 25, 2013.
3. Respondent firm's compilation and review reports did not conform to standards, report disclosures were not in accordance with standards, and supporting workpapers did not sufficiently address required standards.
4. Respondent firm failed to provide the Board with the Peer Review Report, Letter of Response, and Final Letter of Acceptance within sixty (60) days of the Final Letter of Acceptance as required by 21 NCAC 08M .0106.
5. Respondent firm wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent firm understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent firm is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina

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CPA EXAMINERS

Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent firm's failure to comply with GAAP is a violation of 21 NCAC 08N .0209 and .0212.
3. Respondent firm's failure to submit to the Board copies of its Peer Review Report and Letter of Response is a violation of 21 NCAC 08M .0106(a)(4).
4. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent firm's consent to this order, Respondent firm is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent firm agree to the following Order:

1. Respondent firm is censured.
2. Respondent firm shall pay a one thousand dollar (\$1,000.00) civil penalty to be remitted with this signed Consent Order
3. Respondent firm shall provide a written statement to the Board that it will no longer be participating in, performing, or reviewing any engagements subject to peer review.
4. Prior to Respondent firm participating in, performing, or reviewing any engagements subject to peer review, Respondent firm shall be subject to the following:
 - a. Respondent firm shall provide notification to the Board of Respondent firm's intention to enter into engagements subject to peer review;
 - b. Each of Respondent firm's professional staff participating in engagements subject to peer review shall complete four (4) hours of SSARS CPE coursework as part of their annual CPE requirement until Respondent firm receives a pass on a system peer review, or a pass or pass with deficiencies on an engagement peer review; and
 - c. Respondent firm shall obtain a pre-issuance review, to be performed by a pre-issuance reviewer approved by the AICPA Committee, for the initial SSARS engagement and continue to

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obtain pre-issuance reviews until such time as Respondent firm is released from further pre-issuance reviews by the AICPA Committee. Respondent firm will provide all correspondence related to the pre-issuance review to the Board for monitoring purposes.

CONSENTED TO THIS THE 12 DAY OF December, 2013.
(Day) (Month) (Year)

Robert E. Starkey
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY,
2014.
(Year) (Day) (Month)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

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NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2013149

IN THE MATTER OF:
Aichun Li, #30603
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Aichun Li (hereinafter "Respondent") is the holder of North Carolina certificate number 30603 as a Certified Public Accountant.
2. By Order dated July 8, 2013, Respondent was suspended from practicing before the U. S. Securities and Exchange Commission ("SEC") for a period of two (2) years.
3. The SEC also filed a federal lawsuit to accompany the administrative case. The Respondent consented to the entry of a final judgment without admitting or denying the allegations of the Complaint. In that judgment, Respondent was fined twenty-five thousand dollars (\$25,000). In addition, per that judgment, Respondent was enjoined from:
 - a. knowingly failing to implement a system of internal accounting controls as required by SEC Act § 13(b)(5);
 - b. aiding and abetting violations of the public reporting provisions at section 13(a) of the SEC Act and Rules 240.12b-20 and 240.13a-13; and
 - c. aiding and abetting violations of the recordkeeping provisions found at Section 13(b)(2)(A) of the SEC Act.

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4. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's discipline by the SEC constitutes *prima facie* evidence of a violation of 21 NCAC 08N .0204.
3. If proven, the SEC allegations would constitute a violation of 21 NCAC 08N .0203.
4. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent's CPA certificate shall be suspended for two (2) years.
2. Respondent shall remit, with this signed Order, a one thousand dollar (\$1,000.00) civil penalty.

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3. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon Respondent's suspended North Carolina certificate.

CONSENTED TO THIS THE 18th DAY OF December, 2013.
(Day) (Month) (Year)

Aichun Li
Respondent

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY,
2014.
(Year) (Day) (Month)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

NC BOARD OF
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CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF ~~NC BOARD~~
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2013228 and C2013229

Dr

CPA

IN THE MATTER OF:

Donald K. Murphy

The Wesley Peachtree Group CPAs

d/b/a Murphy and Company PC

Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Donald K. Murphy (hereinafter "Respondent Murphy") is licensed in, and has an office located in, the State of Georgia and has engaged in the public practice of accountancy under a practice privilege granted by N.C. Gen. Stat. § 93-10.
2. The Wesley Peachtree Group CPAs (hereinafter "Respondent Firm") has a principal place of business outside of the State of North Carolina. At all relevant times, Respondent Murphy was a principal shareholder in Respondent Firm and was individually responsible for the conduct of Respondent Firm.
3. Respondent Firm filed a Notice of Intent to Practice with the Board. In compliance with North Carolina's firm name regulations found at 21 NCAC 08N .0307, Respondent Firm correctly adopted an assumed name, "Murphy and Company PC," to be utilized when transacting business in the State of North Carolina.
4. Respondent Firm provided services to North Carolina clients using an unapproved firm name rather than the assumed firm name of "Murphy and Company PC."
5. Respondents were previously disciplined by the Board for offering services to North Carolina clients through an unapproved firm name.
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to

Consent Order - 2
Donald K. Murphy
The Wesley Peachtree Group CPAs
d/b/a Murphy and Company PC

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CPA EXAMINERS

review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0306 (c)(4) and .0307 (a).
3. Per N.C. Gen. Stat. § 93-12(9), 93-10(b) and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondents are censured.
2. Respondents shall remit, with this signed Order, a six thousand dollar (\$6,000.00) civil penalty.

CONSENTED TO THIS THE 12th DAY OF DECEMBER, 2013.
(Day) (Month) (Year)


Respondent

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY,
2014
(Year) (Day) (Month)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: 
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2012365-1 and C2012365-2

IN THE MATTER OF:
Eugene E. Nicholas, Jr., #30785
Eugene E. Nicholas, Jr., CPA
Respondents

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. Eugene E. Nicholas, Jr. (hereinafter "Respondent Nicholas"), is the holder of North Carolina certificate number 30785 as a Certified Public Accountant.
2. Eugene E. Nicholas, Jr., CPA (hereinafter "Respondent Firm"), is a registered certified public accounting firm in North Carolina. At all relevant times, Respondent Nicholas was the sole owner of Respondent Firm.
3. Respondent Firm was engaged by an entity, which was subject to overview by a division of the Office of Inspector General ("OIG"), to prepare audits for the years ending June 30, 2007, and June 30, 2008.
4. OIG has alleged that Respondent Firm failed to provide, upon request, a complete set of audit workpapers for the entity.
5. OIG has alleged that Respondent Firm did not conduct the 2007 and 2008 audits in accordance with GAAS, GAGAS, or OMB Circular A-133 regulations.
6. Respondents wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondents understand and agree that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

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BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondents' actions as set out above constitute violations of 21 NCAC 08N .0403, .0409, .0204, and .0212.
3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondents' consent to this order, Respondents are subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent Nicholas and Respondent Firm shall not offer to perform, participate in, perform, or review any attest or assurance services as defined by 21 NCAC 08A .0301(b)(5) for at least two (2) years from the date the Consent Order is approved by the Board.
2. Prior to entering into any attest and/or assurance engagements, Respondent Nicholas or Respondent Firm shall provide notification to the Board of Respondent Nicholas' or Respondent Firm's intention to enter into attest and/or assurance engagements.
3. Prior to Respondent Nicholas and/or Respondent Firm offering to perform, participating in, performing, or reviewing any attest and/or assurance services, Respondent Nicholas shall take and provide CPE completion documentation to the Board of at least forty (40) hours of classroom (non-webinar or webcasts) Accounting and Auditing CPE coursework.
4. Respondent Nicholas and Respondent Firm shall obtain pre-issuance reviews, to be performed by a pre-issuance reviewer approved by the Board, for all attest and assurance engagements until a determination is made by the Board that said engagements can be performed by Respondent Nicholas and Respondent Firm in accordance with applicable standards. Respondent Nicholas or Respondent Firm shall authorize and cause the pre-issuance reviewer to provide the Board a copy of each pre-issuance review report

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Consent Order - 3
Eugene E. Nicholas, Jr.
Eugene E. Nicholas, Jr., CPA

upon its issuance. Respondent Firm shall reimburse the Board for its administrative costs incurred as a result of monitoring compliance with pre-issuance review requirements.

5. Respondent Nicholas shall reimburse the Board for its administrative costs of two thousand four hundred dollars (\$2,400.00) incurred in the investigation of this matter.

CONSENTED TO THIS THE 14th DAY OF JANUARY, 2014.

E. E. Nicholas Jr.
Respondent

E. E. Nicholas Jr.
Individual authorized to sign on behalf of Respondent Firm

APPROVED BY THE BOARD THIS THE 27 DAY OF JANUARY, 2014.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: [Signature]
President

NC BOARD OF
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THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS

IN THE MATTER OF:

Gary R. Sessions
Respondent, C2013262

NOTICE OF APPARENT VIOLATION
AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners ("Board") is authorized by N.C. Gen. Stat. § 93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act through actions for injunctive relief regarding "a single violation" of this Chapter;

WHEREAS, pursuant to N.C. Gen. Stat. § 93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued under the provisions of this Chapter";

WHEREAS, pursuant to N.C. Gen. Stat. § 93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under GS 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant;"

WHEREAS, Respondent Gary R. Sessions (hereinafter "Respondent") requested, on July 13, 2006, that his North Carolina CPA license be placed on "Inactive" status and certified that he would not identify himself as a certified public accountant "to any person in any manner;"

WHEREAS, Respondent is not currently licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state;

WHEREAS, Respondent, subsequent to being placed on inactive status, identified himself as a CPA. Those representations were made while Respondent was living and working in North Carolina with a North Carolina address.

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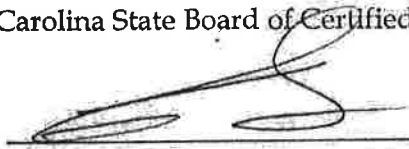
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THEREFORE, Respondent is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until Respondent has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY:


Frank X. Trainor, III
Board Staff Attorney


DATE:

12-5-13

In lieu of civil proceedings authorized by N.C. Gen. Stat. § 93-12(16), the Board will accept Respondent's consent to this Demand.

Consented to:

BY:


Gary R. Sessions, Respondent

DATE:

12-11-13

North Carolina State

Mecklenburg County

Sworn to (or affirmed) and subscribed before me this day by Gary R. Sessions.

[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a _____] [a credible witness has sworn to the identity of the principals _____]

Notary
Seal



Notary Public Signature



Notary Public Printed Name

Jason Rabon

Date

12/11/13

My Commission Expires

Jason Rabon
NOTARY PUBLIC
Mecklenburg County, NC
My Commission Expires March 23, 2018

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